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FM AMEMBASSY SOFIA

TO RUEHC/SECSTATE WASHDC IMMEDIATE 4913

INFO RUEHDL/EUROPEAN POLITICAL COLLECTIVE PRIORITY

RUEHAK/AMEMBASSY ANKARA PRIORITY 0719

RUEHTH/AMEMBASSY ATHENS PRIORITY 1457

RUEHKB/AMEMBASSY BAKU PRIORITY 0051

RUEHRO/AMEMBASSY ROME PRIORITY 0517

RUEAIIA/CIA WASHINGTON DC PRIORITY

RUCPDOC/DEPT OF COMMERCE WASHINGTON DC PRIORITY

RHEBAAA/DEPT OF ENERGY WASHINGTON DC PRIORITY

RHEHNSC/NSC WASHINGTON DC PRIORITY

C O N F I D E N T I A L SOFIA 000212

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FOR SPECIAL ENVOY FOR EURASIAN ENERGY GRAY, ENERGY
COORDINATOR MANN AND EUR DAS BRYZA

E.O. 12958: DECL: 04/07/2018

TAGS: ECON ENRG PREL BG

SUBJECT: BULGARIA INTERESTED IN THE TURKEY-GREECE-ITALY
INTERCONNECTOR

Classified By: Ambassador John Beyrle for reasons 1.4 b and d.

¶1. (U) This is an action request. Please see paragraph 5.

¶2. (C) Summary: Bulgaria has expressed interest in hooking up to the Turkey-Greece-Italy gas pipeline to begin taking one bcm of Azeri gas before Nabucco comes on line. Bulgaria would build a 60 kilometer interconnector from Haskovo to the Greek town of Komotini to tap into TGI. The idea is in its early stages, but Bulgarian President Parvanov raised it with Azerbaijani President Aliyev in Baku March 10-12. The GOB is looking for USG support for this idea with the view that it could reduce significantly Bulgaria's dependence on Russian gas. End Summary.

¶3. (C) Minister of Regional Development Asen Gagauzov told Ambassador March 20 that Bulgaria is interested in hooking up to the Turkey-Greece-Italy pipeline so it can start importing one bcm of Azeri gas before Nabucco comes on line. Gagauzov said President Parvanov expressed Bulgaria's intent to sign contracts for this amount of Azeri gas during an official visit to Azerbaijan March 10-12. The one bcm would be Bulgaria's Nabucco quota, but Bulgaria would like to take this gas as soon as possible - even before Nabucco comes on line. One option would be a short, 60 kilometer TGI interconnection between the Bulgarian town of Haskovo and the Greek town of Komotini. In Gagauzov's words, such an interconnection would represent "clean diversification" away from Russian energy. Knowing that Greece and Turkey will need to be convinced, Deputy Minister of Energy Galina Tosheva told us April 7 the GOB is seeking USG support for this idea.

¶4. (C) Comment: As long as it does not come at the expense of progress on Nabucco or TGI functioning, a Bulgarian interconnection to TGI makes sense. It would represent Bulgaria's first attempt at diversification away from its nearly complete dependence on Russian gas. With Bulgaria's domestic consumption at 3.5 bcm/yr, one bcm from Azerbaijan represents a significant diversification. If combined with the potential 3 bcm LNG terminal which the International Financial Corporation is now studying on behalf of Bulgargaz, Bulgaria could reduce its dependence on Russian gas entirely.

¶5. (C) Action Request: We request Department's views on potential Bulgarian participation in TGI, as well as input from Embassies Baku, Ankara, Athens and Rome on the plusses

and minuses of this plan. If Department supports Bulgarian participation in TGI, we would appreciate receiving a green light as soon as possible to re-engage with the GOB on next steps to move this forward.

Beyrle